

**MONDAY, APRIL 30, 2001**

**THIRTY-THIRD LEGISLATIVE DAY**

The House met at 5:00 p.m. and was called to order by Mr. Speaker Naifeh.

The proceedings were opened with prayer by Representative Dunn.

Representative Dunn led the House in the Pledge of Allegiance to the Flag.

**ROLL CALL**

The roll call was taken with the following results:

Present.....99

Representatives present were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh – 99.

**SPONSORS ADDED**

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

**House Joint Resolution No. 311:** Rep(s). Armstrong, Tindell, Hagood, Boyer, Bittle and Buttry as prime sponsor(s).

**House Bill No. 252:** Rep(s). Sargent and Johnson as prime sponsor(s).

**House Bill No. 344:** Rep(s). Naifeh, Turner (Davidson), Kent, Cole (Carter), Bittle, Walker, Scroggs, Buttry, Davis (Washington), Vincent, Sharp, Harwell, Mumpower, Godsey, Wood, Hargrove, Maddox, Shaw, Ridgeway, Baird, Bunch, Johnson, Goins, Rowland, Black, Beavers, Todd, Pinion, Hargett, Pleasant, Fitzhugh, Williams, Bone, Turner (Hamilton), Whitson, Hagood, Patton, Dunn, Montgomery, Odom, Brown, West, Head, Ford, McMillan, Kisber, Davidson, Hood, Sands, McDonald, Winningham, Sargent, Roach, Windle, Ferguson, Briley, White, McKee, Lewis and Fraley as prime sponsor(s).

**House Bill No. 553:** Rep(s). Towns and Cooper as prime sponsor(s).

## **MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**House Bill No. 832:** Rep(s). Davis (Cocke), Armstrong, Dunn and Winningham as prime sponsor(s).

**House Bill No. 1603:** Rep(s). Turner (Hamilton) as prime sponsor(s).

**House Bill No. 1607:** Rep(s). Patton, Ford, Fitzhugh, Maddox, McDonald, Newton, Bone, West, Godsey and Davis (Washington) as prime sponsor(s).

**House Bill No. 1643:** Rep(s). Brooks and Turner (Hamilton) as prime sponsor(s).

**House Bill No. 1644:** Rep(s). Brooks and Turner (Hamilton) as prime sponsor(s).

**House Bill No. 1989:** Rep(s). Chumney as prime sponsor(s).

### **MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 215, 216, 217 and 218; all adopted for concurrence.

RUSSELL A. HUMPHREY, Chief Clerk.

**Senate Joint Resolution No. 215** -- Memorials, Academic Achievement - Leah Elizabeth Crews, Salutatorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 216** -- Memorials, Academic Achievement - Rebecca Renee' McGoldrick, Salutatorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 217** -- Memorials, Academic Achievement - Jessica Lind Tracy, Valedictorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 218** -- Memorials, Academic Achievement - Bryan David Harris, Salutatorian, Beech High School. by \*Graves.

### **PERSONAL ORDERS**

#### **RECOGNITION IN THE WELL**

Rep. McCord was recognized in the Well to introduce members of the Kaluga Region of Russia for remarks.

#### **RULES SUSPENDED**

Rep. McCord moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 309 out of order, which motion prevailed.

**\*House Joint Resolution No. 309** -- General Assembly, Statement of Intent or Position - Expresses support for development of sister-state program between Kaluga Region of Russia and Tennessee. by \*McCord, \*Overbey, \*Montgomery, \*Boyer.

## MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. McCord, with the request that all members voting aye be added as sponsors, the resolution was adopted by the following vote:

Ayes .....99

Noes .....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh – 99.

A motion to reconsider was tabled.

### INTRODUCTION OF RESOLUTIONS

On motion, pursuant to **Rule No. 17**, the resolution(s) listed was/were introduced and referred to the appropriate Committee:

**House Joint Resolution No. 308** -- General Assembly, Directed Studies - Requires inter-departmental study of autism and creates special joint committee to recommend any necessary legislation. by \*Kisber, \*DeBerry L.

House Finance, Ways and Means Committee

### RESOLUTIONS

Pursuant to **Rule No. 17**, the following resolution(s) was/were introduced and placed on the Consent Calendar for May 3, 2001:

**House Resolution No. 69** -- Memorials, Recognition - Joseph Allen Wood. by \*Windle.

**House Joint Resolution No. 312** -- Memorials, Academic Achievement - Lena Roberta Williams, Valedictorian, Meigs County High School. by \*Bunch.

**House Joint Resolution No. 313** -- Memorials, Professional Achievement - Howard Langford, Cleveland City Schools' 2002 Tennessee Teacher of the Year Nominee. by \*Bunch.

**House Joint Resolution No. 314** -- Memorials, Personal Achievement - Joshua J. Robbins (Hills), Eagle Scout. by \*Todd.

## **MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**House Joint Resolution No. 315** -- Memorials, Recognition - Bishop Gilbert E. Patterson, Presiding Bishop of Church of God in Christ, Inc. by \*DeBerry J.

**House Joint Resolution No. 316** -- Memorials, Professional Achievement - Lynne Harrison, Wilson County Teacher of the Year. by \*Bone.

**House Joint Resolution No. 317** -- Memorials, Academic Achievement - Trang (Janice) Thi Tran, Valedictorian, McGavock High School. by \*West.

**House Joint Resolution No. 318** -- Memorials, Recognition - St. Philip's Episcopal Church. by \*West.

**House Joint Resolution No. 319** -- Memorials, Personal Occasion - Ann Frazier, eightieth birthday. by \*White.

**House Joint Resolution No. 320** -- Memorials, Academic Achievement - Susan Michelle Bunch, Salutatorian, Meigs County High School. by \*Bunch.

**House Joint Resolution No. 322** -- Memorials, Professional Achievement - Judith Mimbs, Tennessee Humanities Council Award of Recognition for Outstanding Teaching. by \*Vincent, \*Wood, \*Clem, \*Turner (Hamilton), \*Brown, \*Sharp.

**House Joint Resolution No. 323** -- Memorials, Personal Achievement - Bryan Jackson, Eagle Scout. by \*Beavers.

### **SENATE JOINT RESOLUTIONS (Congratulatory and Memorializing)**

Pursuant to **Rule No. 17**, the resolution(s) listed was/were noted as being placed on the Consent Calendar for May 3, 2001:

**Senate Joint Resolution No. 215** -- Memorials, Academic Achievement - Leah Elizabeth Crews, Salutatorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 216** -- Memorials, Academic Achievement - Rebecca Renee' McGoldrick, Salutatorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 217** -- Memorials, Academic Achievement - Jessica Lind Tracy, Valedictorian, Beech High School. by \*Graves.

**Senate Joint Resolution No. 218** -- Memorials, Academic Achievement - Bryan David Harris, Salutatorian, Beech High School. by \*Graves.

**INTRODUCTION OF BILLS**

On motion, the following bills were introduced and passed first consideration:

**\*House Bill No. 2003** -- Carroll County - Pursuant to local request, revises tax rate of McKenzie Special School District. Amends TCA Chapter 533 of the Private Acts of 1917. by \*Maddox.

**\*House Bill No. 2004** -- Carroll County - Pursuant to local request, revises operating tax rate for Bruceton-Hollow Rock Special School District by changing tax amount from amount "not to exceed \$2.00" to "\$1.62." Amends Chapter 317 of the Private Acts of 1927. by \*Maddox.

**SENATE BILLS TRANSMITTED**

On motion, the Senate Bills listed below, transmitted to the House, were held on the Clerk's desk pending third consideration of the companion House Bill as noted:

**\*Senate Bill No. 1276** -- Uniform Laws - Enacts "Revised Uniform Partnership Act of 2001." Amends TCA 61-1-148 and repeals TCA Sections 61-1-101 to 61-1-142. by \*Jackson. (HB1328 by \*McMillan)

**\*Senate Bill No. 1328** -- Bonds and Undertakings, Regulation of - Revises various provisions concerning issuance of public bonds and notes. Amends TCA Title 4, Chapter 31; Title 7, Chapter 34; Title 7, Chapter 82; Title 9, Chapter 21; Title 12, Chapter 10; Title 13, Chapter 23; and Title 49, Chapter 3. by \*Henry. (HB1531 by \*Kisber)

**\*Senate Bill No. 1761** -- Health Care - Expands regulations and requirements to operate body piercing establishment. Amends TCA Title 62. by \*Kurita, \*Rochelle. (HB1765 by \*McMillan)

**Senate Bill No. 1789** -- Aged Persons - Revises duties of commission on aging to include services to disabled persons; increases membership of commission to include executive director of Tennessee Developmental Council. Amends TCA Title 71, Chapter 2. by \*Harper, \*Trail, \*Burchett, \*Burks. (\*HB1624 by \*Kernell, \*Cooper B, \*Pruitt, \*Patton, \*Odom, \*Davis (Washington), \*Montgomery, \*Bowers, \*Arriola)

**Senate Bill No. 1879** -- Energy - Broadens certain powers of energy acquisition corporation. Amends TCA Title 7, Chapter 39, Part 3. by \*Rochelle, \*Carter, \*Rochelle. (\*HB1458 by \*Kisber)

**HOUSE BILLS ON SECOND CONSIDERATION**

On motion, bills listed below passed second consideration and were referred by the Speaker to Committee or held on the Clerk's desk as noted:

**House Bill No. 2001** -- Henderson -- Local Bill Held on House Desk

CONSENT CALENDAR

**House Bill No. 539** -- Regional Authorities and Special Districts - Increases membership of board of directors of Four Lakes Regional Industrial Development Authority by two members, one to be appointed by TVA board directors and other to be appointed by electric cooperative board directors. Amends TCA Section 64-5-203. by \*Bone. (\*SB465 by \*Rochelle)

On motion, House Bill No. 539 was made to conform with **Senate Bill No. 465**; the Senate Bill was substituted for the House Bill.

**House Bill No. 950** -- Sunset Laws - Tennessee municipal solid waste advisory committee, June 30, 2007. Amends TCA Title 4, Chapter 29 and Title 68, Chapter 211. by \*Kernell, \*Brooks, \*Cooper B. (\*SB57 by \*Harper)

On motion, House Bill No. 950 was made to conform with **Senate Bill No. 57**; the Senate Bill was substituted for the House Bill.

**House Bill No. 1685** -- Taxes, Hotel Motel - Adds Dickson County to those counties excepted from present law limitations on manner in which cities and counties are authorized to levy and collect privilege tax on occupancy of hotels or motels. Amends TCA Section 67-4-1425. by \*Shepard. (\*SB1814 by \*Jackson)

**House Bill No. 1825** -- Safety, Dept. of - Requires department to develop and maintain information concerning drunk driving on department's web page. Amends TCA Title 4, Chapter 3, Part 20 and Title 55. by \*Ridgeway. (\*SB1159 by \*Herron, \*Burks)

**House Bill No. 1603** -- Firefighters - Requires any municipal corporation or other political subdivision of state which maintains regular fire department with full-time employees, upon written request of any such employee, to make monthly deductions of membership dues for employee association if association's current membership is not less than 10 percent of qualified employees. Amends TCA Title 7, Chapter 51, Part 2. by \*Jones, S., \*Langster, \*West, \*Turner (Davidson), \*Newton, \*Briley, \*Jones U (Shelby), \*Pruitt, \*Miller L., \*Tindell, \*Odom. (\*SB1366 by \*Jackson)

**House Bill No. 991** -- Dentists - Adds courses taught by Shelby County Dental Society to list of approved continuing education courses. Amends TCA Title 63, Chapter 5, Part 1. by \*DeBerry L. (\*SB1541 by \*Dixon)

**Senate Joint Resolution No. 25** -- Naming and Designating - Designates October, 2001, as "Pregnancy and Infant Loss Awareness Month.". by \*Cooper J, \*Kurita, \*Dixon.

**House Bill No. 1089** -- Sales - Increases transitory vendor's fee from \$25 to \$50; designates in Davidson County chief of police will have authority to administer laws pertaining to transitory vendors. Amends TCA Title 62, Chapter 30, Part 1. by \*West. (\*SB1407 by \*Haynes)

**House Bill No. 1607** -- Veterans - Enacts "Veterans' Educational Benefit Program Administrators' Improvement Act of 2001." Amends TCA Title 8, Chapter 30; Title 49, Chapter 50 and Title 49, Chapter 7. by \*Givens, \*Westmoreland, \*Lewis, \*Ferguson, \*Caldwell, \*Cole (Dyer). (\*SB1729 by \*Crowe)

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**\*House Bill No. 1922** -- Teachers, Principals and School Personnel - Authorizes department of general services to establish contracts for teachers to purchase computers with personal funds for use outside classroom; authorizes department to make rules for purchases. Amends TCA Title 12, Section 3. by \*Boyer, \*Cooper B. (SB1882 by \*Dixon)

**House Bill No. 1628** -- Banks and Financial Institutions - Allows financial institutions to furnish information or records to extent provided under federal law so long as consumer disclosure requirements and opt-out provisions are fulfilled. Amends TCA Title 45, Chapter 10. by \*Lewis, \*Rhinehart, \*McDaniel, \*Hood, \*Hagood, \*Fitzhugh, \*Sands. (\*SB1192 by \*Clabough, \*Dixon)

On motion, House Bill No. 1628 was made to conform with **Senate Bill No. 1192**; the Senate Bill was substituted for the House Bill.

**House Bill No. 1999** -- Kenton - Pursuant to local request, authorizes board of Kenton Special School district to levy tax, issue bonds, and construct, equip and operate school in city of Kenton. Amends TCA Chapter 84 of the Private Acts of 1947. by \*Phelan, \*Pinion. (SB1964 by \*Carter)

**House Bill No. 1995** -- Alcoa - Subject to local approval, sets salary of board of education chairman at one-half mayor's salary per month, and sets salary for all other board of education members at one-half city commissioner's salary per month. Amends Chapter 510 of the Private Acts of 1919; as amended. by \*McCord. (SB1950 by \*Clabough)

**House Bill No. 1989** -- Collierville - Subject to local approval, revises and reenacts charter of Collierville. Amends Chapter 230 of the Private Acts of 1988, as amended. by \*Scroggs, \*Todd. (SB1951 by \*Norris)

**House Joint Resolution No. 310** -- Memorials, Professional Achievement - Glenda Lee Sullivan, Tennessee Humanities Council Award of Recognition for Outstanding Teaching. by \*Shepard.

**House Joint Resolution No. 311** -- Memorials, Professional Achievement - Dr. Judith Neff, Tennessee Humanities Council Award of Recognition for Outstanding Teaching. by \*Dunn.

**Senate Joint Resolution No. 210** -- Memorials, Recognition - East Tennessee State University College of Business. by \*Crowe.

**Senate Joint Resolution No. 211** -- Memorials, Interns - N. Kristin Byrd. by \*Atchley.

**OBJECTION -- CONSENT CALENDAR**

Objection(s) was/were filed to the following on the Consent Calendar:

**House Bill No. 1825:** by Rep. Boyer

**House Bill No. 1603:** by Rep. Boyer

**House Bill No. 1999:** by Rep. Phelan

## MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY

Under the rules, House Bill(s) No(s). 1825, 1603 and 1999 was/were placed at the foot of the calendar for May 3, 2001.

Pursuant to **Rule No. 50**, Rep. Phillips moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes .....	99
Noes .....	0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh – 99.

A motion to reconsider was tabled.

### REGULAR CALENDAR

**\*House Bill No. 1374** – Parks, Natural Areas Preservation - Adds segment of Duck River and segment of Caney Fork River to state scenic rivers system; directs commissioner of environment and conservation to establish outreach and education program; requires consent from private landowners before establishing river boundaries. - Part 1 of Chapter 13 of Title 11. by \*Sands, \*McDaniel. (SB1651 by \*Elsa, \*Clabough, \*Norris, \*Blackburn)

Further consideration of House Bill No. 1374 previously considered on April 23, 2001, at which time it was reset for today's Calendar.

Rep. Sands moved that House Bill No. 1374 be passed on third and final consideration.

Rep. Garrett requested that Conservation and Environment Committee Amendment No. 1 be placed at the heel of the Amendments.

Rep. Sands moved adoption of Amendment No. 2 as follows:

#### Amendment No. 2

AMEND House Bill No. 1374 by deleting all language after the enacting clause and by substituting instead the following:



**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

SECTION 1. Tennessee Code Annotated, Section 11-13-104, is amended by adding the following language under "Class II Pastoral River Areas" so as to maintain the items in alphabetical order:

Duck River -- That segment of the Duck River beginning at Iron Bridge Road at river mile 136.4 extending continuously to a point upstream to the boundary of Marshall County at river mile 173.7.

SECTION 2. Tennessee Code Annotated, Section 11-13-108, is amended by designating the existing language as subsection (a) and adding the following subsection (b):

(b)(1) For the establishment of boundaries on the new scenic river created by this act, a segment of the Duck River, the commissioner of environment and conservation shall engage in a new program of cooperative effort with landowners. As soon as practicable, the commissioner shall engage in a program of outreach and education of the property owners in the area of this river segment and the local community to explain the program and the environmental and economic benefits it affords. The commissioner shall then, using sound discretion and considering all relevant circumstances, establish a perpetual boundary of the scenic river area associated with the river or river segment. If the proposed boundary of the scenic river area includes private property, the state shall obtain the notarized consent of the private landowner before establishing the boundary.

(2) No later than July 31, 2005, the commissioner of environment and conservation shall submit a report to the chairs of the senate environment, conservation, and tourism committee and the house conservation and environment committee on this cooperative effort. The report shall include a description of the outreach and educational efforts of the department, a description of the areas for which landowner consent for scenic river boundaries was obtained, a description of the areas for which scenic river boundaries were established or are in the process of being established for the river, and recommendations for or against expanding this program of cooperative effort to all scenic rivers and any suggested modifications. Until the statute is amended to the contrary, the department shall only establish boundaries on this river based upon the consent of the owner of any affected private lands.

SECTION 3. The department of environment and conservation shall engage in an assessment of whether the segment of the Caney Fork River in the Bridgestone/Firestone Centennial Wilderness Area should be designated as a scenic river and report back to the general assembly with its recommendation by January 15, 2002. In doing this assessment, the department shall consult with all interested parties.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

On motion, Amendment No. 2 was adopted.

On motion, Rep. Garrett withdrew Conservation and Environment Committee Amendment No. 1.

Rep. Sands moved that **House Bill No. 1374**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....	99
Noes .....	0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh – 99.

A motion to reconsider was tabled.

**House Bill No. 869** -- Taxes, Excise - Clarifies method by which net earnings are apportioned to state under Excise Tax Law. Amends TCA Title 67. by \*Kisber. (\*SB942 by \*McNally)

**CHAIR TO RINKS**

Mr. Speaker Naifeh relinquished the Chair to Rep. Rinks.

**REGULAR CALENDAR, CONTINUED**

Rep. Kisber moved that House Bill No. 869 be passed on third and final consideration.

Rep. Head moved adoption of Finance, Ways and Means Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 869 by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-4-2008(a)(9)(A), is amended by adding the following language before the semicolon at the end of that item:

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

or a business trust, as defined in Tennessee Code Annotated, Section 48-101-202(a), when the commercial domicile of the trustee is not in the state of Tennessee

**SECTION 2.** This act shall take effect upon becoming a law, the public welfare requiring it.

On motion, Finance, Ways and Means Committee Amendment No. 1 was adopted.

Rep. Kisber moved that **House Bill No. 869**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....	93
Noes .....	1
Present and not voting .....	3

Representatives voting aye were: Armstrong, Baird, Bittle, Black, Bone, Bowers, Boyer, Briley, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 93.

Representatives voting no were: Arriola -- 1.

Representatives present and not voting were: Beavers, Brooks, McDonald -- 3.

A motion to reconsider was tabled.

**House Bill No. 864** -- Taxes, Exemption - Increases sales tax on telecommunications services to provide property tax relief to telecommunications companies. Amends TCA Section 67-4-2009. by \*Kisber. (\*SB1484 by \*Rochelle)

Rep. Kisber moved that House Bill No. 864 be passed on third and final consideration.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 864 by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. It is the finding of the general assembly that one measure of the state's economic competitiveness is the presence of an efficient and affordable telecommunications infrastructure using the latest technological advancements. The general assembly further finds that the telecommunications industry is undergoing a dramatic change that is altering the identity of its participants, the nature of services that the industry provides, and the methods used to deliver those services. The general assembly finds that the telecommunications industry is becoming increasingly competitive, that the distinctions among the providers of the various types of telecommunications services have become blurred, and that full and fair competition within the telecommunications industry is beneficial to residents and businesses of Tennessee. Further, it is a finding of the general assembly that the Tennessee property tax laws now place certain telephone companies at a competitive disadvantage because their properties are treated as "public utility property" for ad valorem tax purposes and assessed at the ratio of fifty-five percent (55%) of such properties' fair market values while the properties of other businesses, including those of certain of their competitors, are treated as "industrial and commercial property" and assessed at lower ratios of such properties' fair market values. Accordingly, the general assembly finds that, in order to mitigate the effects of such competitive disadvantage, telephone companies whose properties are treated as "public utility property" should be entitled to an ad valorem tax equity payment to be paid out of the Telecommunications Ad Valorem Tax Reduction Fund in an amount equal to their ad valorem property tax attributable to the difference between the assessment ratios. The general assembly further finds, however, that it is in the best interests of the state and its political subdivisions that the revenues available to the state not be diminished by the ad valorem tax equity payments made to such telephone companies; and that an increase in the sales tax imposed on interstate telecommunications services sold to businesses is expected to provide to the state revenues to fund the payments made out of the Ad Valorem Tax Reduction Fund. The general assembly further finds that, in the event sufficient funding is not raised from the increase in sales tax, the payments made to such telephone companies should be proportionately reduced until such funding is available. Furthermore, the general assembly finds that it is in the best interests of Tennessee consumers of telecommunications services that any net tax savings experienced by such telephone companies be passed on to consumers in the form of reductions in the prices charged for the services provided by such telephone companies. Accordingly, the general assembly finds that there is a compelling need to effect these changes in the tax system of the state in order to avoid placing certain telecommunications services providers at a competitive disadvantage, to provide purchasers of telecommunications services with greater choices and lower prices, and to preserve the revenue base of the existing property tax system for the political subdivisions of the state.

SECTION 2. Tennessee Code Annotated, Section 67-6-221, is amended by deleting that section in its entirety and by substituting instead the following:

67-6-221.

(a) Notwithstanding any other provision of the law to the contrary, interstate telecommunication services sold to businesses shall be subject to a tax imposed at the rate of seven and one-half percent (7.5%).

(b) The revenue from a rate equal to one-half percent (0.5%) of tax shall be deposited in the general fund and earmarked for education purposes for kindergarten through grade twelve (k-12) in accordance with Section 67-6-103(c)(2). The revenue from a rate equal to one-half percent (0.5%) of tax shall be distributed to incorporated municipalities in the proportion each population bears to the aggregate population of the state and to unincorporated areas of counties in the proportion each population bears to the aggregate population of the state, according to the most recent federal census and other census authorized by law. Counties and incorporated municipalities shall use such funds in the same manner and for the same purposes as funds distributed pursuant to Section 67-6-712. The revenue from a rate equal to four percent (4%) of tax shall be deposited in the Telecommunications Ad Valorem Tax Reduction Fund created by this act. All other revenue generated from the tax imposed by subsection (a) shall be deposited in the state general fund and allocated pursuant to Section 67-6-103(a).

#### SECTION 3.

(a) There is hereby created in the state treasury a special fund to be known as the Telecommunications Ad Valorem Tax Reduction Fund, which shall be administered by the comptroller of the treasury. The monies in the fund shall be used solely and exclusively to pay the expenses incurred by the comptroller of the treasury in administering the fund and implementing the provisions of Section 4 of this act, and to make the ad valorem tax equity payments authorized by Section 4 of this act. The monies in the fund shall be invested in the same manner as the monies in the state general fund. Interest earned on investment of monies in the fund shall be deposited in and credited to the fund.

(b) On or before June 30, 2003, and on or before June 30 of each year thereafter, any monies in the Telecommunications Ad Valorem Tax Reduction Fund as of May 15 of such year, which are in excess of the amount necessary to make the payments pursuant to Section 4 of this act, including payments attributable to carryovers, shall be deposited into the state general fund and allocated pursuant to Section 67-6-103(a).

SECTION 4.

(a) Pursuant to the rules of this section, every person providing telecommunications services subject to tax under Title 67, Chapter 6 shall be entitled to an ad valorem tax equity payment in an amount equal to the sum of (i) twenty-seven and twenty-seven hundredths percent (27.27%) of the aggregate ad valorem taxes paid to political subdivisions of this state relating to property assessed with a lien date on or after January 1, 2002, with respect to such person's public utility property, as defined in Section 67-5-501(8)(B), which is real property; and (ii) forty-five and forty-five hundredths percent (45.45%) of the aggregate ad valorem taxes paid to political subdivisions of this state relating to property assessed with a lien date on or after January 1, 2002, with respect to such person's public utility property, as defined in Section 67-5-501(8)(B), which is personal property. The payment allowed by this section shall be based on the date that the respective ad valorem taxes are paid, regardless of the date on which such taxes were originally due.

(b) On or before May 15, 2003, and on or before May 15 of each year thereafter, every telephone company entitled to a payment under this section, including payments attributable to carryovers, shall notify the comptroller of the treasury in writing of the amount of such payment and the basis for claiming such payment.

(c) On or before June 30, 2003, and on or before June 30 of each year thereafter, the comptroller of the treasury shall make all payments allowed by this section, including payments attributable to carryovers. If the comptroller of the treasury fails to make such payment within the time prescribed, the telephone company entitled to such payment may file suit against the comptroller of the treasury in chancery court in the appropriate county in this state.

(d) The amount of the payments made pursuant to this section in any year shall be limited to the amount contained in the Telecommunications Ad Valorem Tax Reduction Fund on May 15 of such year, after deduction for the reasonable administrative expenses incurred by the comptroller of the treasury. To the extent that the amount contained in the Telecommunications Ad Valorem Tax Reduction Fund, after deduction for the comptroller of the treasury's reasonable administrative expenses, does not equal or exceed the total amount of payments allowed by this section, including payments attributable to carryovers, such payments shall be proportionately reduced by the amount of the shortfall. Any such reductions shall be carried forward to the succeeding year or years, but in no case more than fifteen (15) years after the year in which the telephone company first became entitled to the payment. The comptroller of the treasury shall determine the amount of any reductions pursuant to this subsection.

(e) In the event that the ad valorem tax liability of a company is reduced for any year with respect to which such company has received an ad valorem tax equity payment pursuant to this section, thereby entitling such company to a refund of ad valorem taxes, such company shall repay the portion of such ad valorem tax equity payment attributable to such reduction within sixty (60) days of receiving notice of such reduction. All such repayments shall be credited to the Ad Valorem Tax Reduction Fund.

SECTION 5. To the extent that a person engaged in the business of providing telecommunications services subject to tax under Title 67, Chapter 6 experiences a net tax savings solely as a result of receiving a payment under Section 4 of this act, such net tax savings shall inure to the benefit of the business customers of such person through an adjustment in the price of telecommunications services provided by such person, including business and interconnection services. Each incumbent local exchange telephone company providing services pursuant to a price regulation plan in accordance with Section 65-5-209 shall adjust its aggregate revenue cap computed under such plan by the amount of the net tax savings experienced solely as a result of receiving a payment under Section 4 of this act. For purposes of this section, "net tax savings" shall take into account and be reduced by any reduction in a company's settlements due to the company complying with Title 47, Parts 36 and 69 of the Code of Federal Regulations.

SECTION 6. The provisions of this act are deemed not to be severable. Therefore, if Section 4 of this act is repealed, declared invalid or otherwise becomes inoperable, all other provisions of this act shall by operation of law immediately become inapplicable, inoperable and of no effect.

SECTION 7. The provisions of Section 2 of this act shall be effective with respect to bills submitted by telecommunications service providers to their customers which are dated on or after January 1, 2002, the public welfare requiring it. Sections 3, 4, and 5 of this act shall be effective on January 1, 2002, the public welfare requiring it. The remaining provisions of this act shall take effect and be in force and effect upon becoming a law, the public welfare requiring it.

#### **CHAIR TO SPEAKER**

Mr. Speaker Naifeh resumed the Chair.

#### **REGULAR CALENDAR, CONTINUED**

On motion, Commerce Committee Amendment No. 1 was adopted.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

Rep. Kisber moved adoption of Finance, Ways and Means Committee Amendment No. 1 as House Amendment No. 2 as follows:

**Amendment No. 2**

AMEND House Bill No. 864 by deleting Section 5 of the bill as amended by House Commerce Committee Amendment No. 1 (HA0194) and by substituting instead the following:

SECTION 5. To the extent that a person engaged in the business of providing telecommunications services subject to tax under Title 67, Chapter 6 experiences a net tax savings solely as a result of receiving a payment under Section 4 of this act, such net tax savings shall inure to the benefit of the business customers of such person through an adjustment in the price of telecommunications services provided by such person, including business and interconnection services. The first such price adjustment shall be effective as of January 1, 2002, based on each company's estimated share of the payments projected by the department of revenue to be made under Section 4 of this act on or before June 30, 2003. Subsequent price adjustments shall be effective as of October 1, 2003, and as of October 1 of each year thereafter, based on the actual payment received by each company under Section 4 of this act with respect to the immediately preceding June 30 payment date and taking into account the cumulative amount of price adjustments previously implemented. Each incumbent local exchange telephone company providing services pursuant to a price regulation plan in accordance with Section 65-5-209 shall adjust its aggregate revenue cap computed under such plan by the amount of the net tax savings experienced solely as a result of receiving a payment under Section 4 of this act. For purposes of this section, "net tax savings" shall take into account and be reduced by any reduction in a company's settlements due to the company complying with Title 47, Parts 36 and 69 of the Code of Federal Regulations.

On motion, Finance, Ways and Means Committee Amendment No. 1 as House Amendment No. 2 was adopted.

Rep. Kisber moved adoption of Amendment No. 3 as follows:

**Amendment No. 3**

AMEND House Bill No. 864 by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-221, is amended by deleting that section in its entirety and by substituting instead the following:

67-6-221.

(a) Notwithstanding any other provision of the law to the contrary, interstate telecommunication services sold to businesses shall be subject to a tax imposed at the rate of seven and one-half percent (7.5%).



(b) The revenue from a rate equal to one-half percent (0.5%) of tax shall be deposited in the general fund and earmarked for education purposes for kindergarten through grade twelve (k-12) in accordance with Section 67-6-103(c)(2). The revenue from a rate equal to one-half percent (0.5%) of tax shall be distributed to incorporated municipalities in the proportion each population bears to the aggregate population of the state and to unincorporated areas of counties in the proportion each population bears to the aggregate population of the state, according to the most recent federal census and other census authorized by law. Counties and incorporated municipalities shall use such funds in the same manner and for the same purposes as funds distributed pursuant to Section 67-6-712. The revenue from a rate equal to four percent (4%) of tax shall be deposited in the Telecommunications Ad Valorem Tax Reduction Fund created by this act. All other revenue generated from the tax imposed by subsection (a) shall be deposited in the state general fund and allocated pursuant to Section 67-6-103(a).

**SECTION 2.**

(a) There is hereby created in the state treasury a special fund to be known as the Telecommunications Ad Valorem Tax Reduction Fund, which shall be administered by the comptroller of the treasury. The monies in the fund shall be used solely and exclusively to pay the expenses incurred by the comptroller of the treasury in administering the fund and implementing the provisions of Section 3 of this act, and to make the ad valorem tax equity payments authorized by Section 3 of this act. The monies in the fund shall be invested in the same manner as the monies in the state general fund. Interest earned on investment of monies in the fund shall be deposited in and credited to the fund.

(b) On or before June 30, 2003, and on or before June 30 of each year thereafter, any monies in the Telecommunications Ad Valorem Tax Reduction Fund as of May 15 of such year, which are in excess of the amount necessary to make the payments pursuant to Section 3 of this act, including payments attributable to carryovers, shall be deposited into the state general fund and allocated pursuant to Section 67-6-103(a).

SECTION 3.

(a) Pursuant to the rules of this section, every person providing telecommunications services subject to tax under Title 67, Chapter 6 shall be entitled to an ad valorem tax equity payment in an amount equal to the sum of (i) twenty-seven and twenty-seven hundredths percent (27.27%) of the aggregate ad valorem taxes paid to political subdivisions of this state relating to property assessed with a lien date on or after January 1, 2002, with respect to such person's public utility property, as defined in Section 67-5-501(8)(B), which is real property; and (ii) forty-five and forty-five hundredths percent (45.45%) of the aggregate ad valorem taxes paid to political subdivisions of this state relating to property assessed with a lien date on or after January 1, 2002, with respect to such person's public utility property, as defined in Section 67-5-501(8)(B), which is personal property. The payment allowed by this section shall be based on the date that the respective ad valorem taxes are paid, regardless of the date on which such taxes were originally due.

(b) On or before May 15, 2003, and on or before May 15 of each year thereafter, every telephone company entitled to a payment under this section, including payments attributable to carryovers, shall notify the comptroller of the treasury in writing of the amount of such payment and the basis for claiming such payment.

(c) On or before June 30, 2003, and on or before June 30 of each year thereafter, the comptroller of the treasury shall make all payments allowed by this section, including payments attributable to carryovers. If the comptroller of the treasury fails to make such payment within the time prescribed, the telephone company entitled to such payment may file suit against the comptroller of the treasury in chancery court in the appropriate county in this state.

(d) The amount of the payments made pursuant to this section in any year shall be limited to the amount contained in the Telecommunications Ad Valorem Tax Reduction Fund on May 15 of such year, after deduction for the reasonable administrative expenses incurred by the comptroller of the treasury. To the extent that the amount contained in the Telecommunications Ad Valorem Tax Reduction Fund, after deduction for the comptroller of the treasury's reasonable administrative expenses, does not equal or exceed the total amount of payments allowed by this section, including payments attributable to carryovers, such payments shall be proportionately reduced by the amount of the shortfall. Any such reductions shall be carried forward to the succeeding year or years, but in no case more than fifteen (15) years after the year in which the telephone company first became entitled to the payment. The comptroller of the treasury shall determine the amount of any reductions pursuant to this subsection.

(e) In the event that the ad valorem tax liability of a company is reduced for any year with respect to which such company has received an ad valorem tax equity payment pursuant to this section, thereby entitling such company to a refund of ad valorem taxes, such company shall repay the portion of such ad valorem tax equity payment attributable to such reduction within sixty (60) days of receiving notice of such reduction. All such repayments shall be credited to the Ad Valorem Tax Reduction Fund.

SECTION 4. To the extent that a person engaged in the business of providing telecommunications services subject to tax under Title 67, Chapter 6 experiences a net tax savings solely as a result of receiving a payment under Section 3 of this act, such net tax savings shall inure to the benefit of the business customers of such person through an adjustment in the price of telecommunications services provided by such person, including business and interconnection services. The first such price adjustment shall be effective as of January 1, 2002, based on each company's estimated share of the payments projected by the department of revenue to be made under Section 3 of this act on or before June 30, 2003. Subsequent price adjustments shall be effective as of October 1, 2003, and as of October 1 of each year thereafter, based on the actual payment received by each company under Section 3 of this act with respect to the immediately preceding June 30 payment date and taking into account the cumulative amount of price adjustments previously implemented. Each incumbent local exchange telephone company providing services pursuant to a price regulation plan in accordance with Section 65-5-209 shall adjust its aggregate revenue cap computed under such plan by the amount of the net tax savings experienced solely as a result of receiving a payment under Section 3 of this act. For purposes of this section, "net tax savings" shall take into account and be reduced by any reduction in a company's settlements due to the company complying with Title 47, Parts 36 and 69 of the Code of Federal Regulations.

SECTION 5. The provisions of this act are deemed not to be severable. Therefore, if Section 3 of this act is repealed, declared invalid or otherwise becomes inoperable, all other provisions of this act shall by operation of law immediately become inapplicable, inoperable and of no effect.

SECTION 6. The provisions of Section 1 of this act shall be effective with respect to bills submitted by telecommunications service providers to their customers that are dated on or after January 1, 2002, the public welfare requiring it. Sections 2, 3, and 4 of this act shall be effective on January 1, 2002, the public welfare requiring it. The remaining provisions of this act shall take effect and be in force and effect upon becoming a law, the public welfare requiring it.

On motion, Amendment No. 3 was adopted.

Rep. Rhinehart moved the previous question, which motion prevailed.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

Rep. Kisber moved that **House Bill No. 864**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....	85
Noes .....	8
Present and not voting .....	2

Representatives voting aye were: Armstrong, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Brown, Buck, Bunch, Buttry, Caldwell, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Hagood, Hargett, Hargrove, Head, Hood, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Vincent, Walker, Westmoreland, White, Whitson, Williams, Winningham, Wood, Mr. Speaker Naifeh -- 85.

Representatives voting no were: Arriola, Brooks, Chumney, McDonald, Odom, Turner (Davidson), West, Windle -- 8.

Representatives present and not voting were: Harwell, Turner (Shelby) -- 2.

A motion to reconsider was tabled.

**\*House Bill No. 619** -- Workers' Compensation - Extends special joint committee of general assembly on workers' compensation and advisory loss costs system for workers' compensation insurance until 2007. Amends TCA Title 4; Title 50 and Title 56 and Public Chapter 944 of the Acts of 1996. by \*Kisber. (SB1188 by \*Clabough)

Rep. Kisber moved that House Bill No. 619 be passed on third and final consideration.

Rep. West moved adoption of Consumer and Employee Affairs Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 619 by adding the following new sections immediately after Section 2 and by renumbering the subsequent section accordingly:

SECTION 3. Tennessee Code Annotated, Section 56-5-306 (c), is amended by inserting, between the phrase "fifteen (15) days after the effective date" and before the punctuation mark ".", the following phrase: ", and at least annually thereafter on March 1".

SECTION 4. Tennessee Code Annotated, Section 56-5-302 (13), is amended by inserting, after the phrase "other than loss expense and loss adjustment expense", the following phrase ", all other applicable rating factors, including but not limited to, schedule rating, experience rating and small deductible credits,".

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

SECTION 5. Tennessee Code Annotated Section 56-5-306 is amended by adding a new subsection which shall read as follows: "

All multipliers filed pursuant to subsection (c) shall be actuarially justified and shall be certified by a member in good standing of the Casualty Actuarial Society.

SECTION 6. Tennessee Code Annotated, Section 56-5-314 (c)(3), is amended by deleting the phrase "If, by July 1, 2001, the commissioner determines that the membership of the assigned risk pool, created pursuant to Section 56-5-314(c), exceeds ten percent (10%)", and by substituting therefor the following: "If, by July 1, 2003, the commissioner determines that the membership of the assigned risk pool, created pursuant to Section 56-5-314(c), exceeds fifteen percent (15%)".

SECTION 7. Tennessee Code Annotated, Section 56-5-314 (c)(4), is amended by deleting the following from the first sentence of the subsection: "on July 1, 2001."

SECTION 8. Tennessee Code Annotated, Section 50-6-118(a)(5), is amended by deleting the subdivision in its entirety.

SECTION 9. Tennessee Code Annotated, Section 50-6-204(a)(4)(B) is amended by adding the following language as the final sentence of the subdivision:

The provisions of this subdivision shall not apply to workers' compensation self-insurer pools established pursuant to §50-6-405(c)(1).

SECTION 10. Tennessee Code Annotated, Section 50-6-204(a)(4)(C), is amended by deleting the subdivision in its entirety.

SECTION 11. Tennessee Code Annotated, Section 50-6-121(a)(2), is amended by deleting the first sentence in its entirety and by substituting instead the following:

The Governor shall also appoint six (6) nonvoting members of the council: one from local government, one(1) from an insurance company, one(1) health care provider and three (3) attorneys.

SECTION 12. Tennessee Code Annotated, Section 50-6-121(a)(2), is further amended by deleting the sixth, seventh, and eighth sentences in their entirety and by substituting instead the following:

The Governor shall appoint one (1) nonvoting attorney member from a list of three (3) names submitted by the Tennessee Trial Lawyers Association, who shall primarily represent injured workers' compensation claimants. The Governor shall also appoint one (1) nonvoting attorney member from a list of three (3) names submitted by the Tennessee Defense Lawyers Association, who shall primarily represent employers or workers' compensation insurers. The Governor shall also appoint one (1) nonvoting attorney member from a list of three (3) names submitted by the Tennessee Bar Association.

SECTION 13. Tennessee Code Annotated, Section 56-5-322, is hereby deleted.

SECTION 14. Tennessee Code Annotated, Section 56-5-302 (13), is amended by deleting the phrase, "as permitted by § 56-5-322,".

SECTION 15. Tennessee Code Annotated, Section 56-5-306 (c), is amended by deleting the last sentence in such subsection in its entirety.

SECTION 16. Tennessee Code Annotated, Section 50-6-238(d), is amended by deleting the subsection in its entirety and substituting instead the following:

(1) In addition to any other penalty provided by law, if an insurer, self-insured employer or self-insured pool fails to comply with an order issued by a specialist within fifteen (15) calendar days of receipt of the order, the commissioner of labor and workforce development shall assess a penalty in the amount of ten thousand dollars (\$10,000.00). Notification of the assessed penalty shall be sent to the insurer, self-insured employer or self-insured pool by facsimile, electronic mail or certified mail. Such insurer, self-insured employer or self-insured pool shall have five (5) calendar days to respond and prove that it has complied with the specialist's order. If satisfactory proof of compliance is not received by the twenty-first (21<sup>st</sup>) calendar day after receipt of the order, additional penalties in the amount of one thousand dollars (\$1,000.00) per day shall begin to accrue on the twenty-first (21<sup>st</sup>) day. The insurer, self-insured employer or self-insured pool shall have the right to appeal the penalty assessed by the commissioner of labor and workforce development for failure to comply with an order issued by a specialist pursuant to the Uniform Administrative Procedures Act, compiled at title 4, chapter 5.

(2) In addition to any other penalty provided by law, if an insurer, self-insured employer or self-insured pool fails to comply with an order issued by a specialist within thirty (30) days of receipt of the order, the commissioner of labor and workforce development shall notify the commissioner of commerce and insurance of such failure to comply. The commissioner of commerce and insurance may consider the continued failure to comply with the order of the specialist as a violation of title 56, chapter 8, which subjects the insurer to the penalty provisions of 56-8-109, and may consider any failure by a self-insured employer or self-insured pool to comply with the order of the specialist sufficient grounds to revoke the employer's status as a self-insured employer or self-insured pool pursuant to 50-6-405.

On motion, Consumer and Employee Affairs Committee Amendment No. 1 was adopted.

Rep. Kisber moved that **House Bill No. 619**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....96  
Noes .....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Churnney, Clem, Cole (Carter), Cole (Dyer), Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 96.

A motion to reconsider was tabled.

\***House Bill No. 635** -- Civil Service - Deletes language in section allowing appointing authority to fill vacancy without submitting certain information to commissioner of personnel. Amends TCA Title 8. by \*Kisber. (SB1326 by \*Henry)

On motion, House Bill No. 635 was made to conform with **Senate Bill No. 1326**; the Senate Bill was substituted for the House Bill.

Rep. Kisber moved that Senate Bill No. 1326 be passed on third and final consideration.

On motion, Rep. U. Jones withdrew State and Local Government Committee Amendment No. 1.

Rep. Kisber moved that **Senate Bill No. 1326** be passed on third and final consideration, which motion prevailed by the following vote:

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

Ayes .....97  
Noes .....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 97.

A motion to reconsider was tabled.

**\*House Joint Resolution No. 137** -- Memorials, Congress - Urges establishment of prescription drug benefit as component of Medicare program. by \*Bowers, \*Jones U (Shelby), \*Kernell, \*Jones, S., \*DeBerry L.

Rep. Bowers moved that **House Joint Resolution No. 137** be adopted, which motion prevailed by the following vote:

Ayes .....93  
Noes .....1  
Present and not voting .....1

Representatives voting aye were: Armstrong, Arriola, Beavers, Bittle, Black, Bone, Bowers, Boyer, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 93.

Representatives voting no were: Clem -- 1.

Representatives present and not voting were: Stanley -- 1.

A motion to reconsider was tabled.



**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**House Bill No. 1643** -- Workers' Compensation - Authorizes employee to petition court of proper jurisdiction to commence payment of temporary total disability benefits or to commence reasonable and necessary medical benefits. Amends TCA Section 50-6-234, by \*Turner (Shelby), \*Turner (Davidson), \*Jones, S., \*Langster, \*West, \*Newton, \*Briley. (\*SB1405 by \*Haynes, \*Dixon)

**BILL RE-REFERRED**

Rep. Turner (Shelby) moved that House Bill No. 1643 be re-referred to the House Committee on Calendar and Rules, which motion prevailed.

**House Bill No. 1644** -- Workers' Compensation - Revises time period for notifying employer for injuries which occur as result of gradual or cumulative events or trauma. Amends TCA Section 50-6-201 and Section 59-6-203, by \*Turner (Shelby), \*Turner (Davidson), \*Jones, S., \*Langster, \*West, \*Newton, \*Briley. (\*SB1404 by \*Haynes, \*Dixon)

On motion, House Bill No. 1644 was made to conform with **Senate Bill No. 1404**; the Senate Bill was substituted for the House Bill.

Rep. Turner (Shelby) moved that Senate Bill No. 1404 be passed on third and final consideration.

Rep. Buck moved adoption of Amendment No. 1 as follows:

**Amendment No. 1**

AMEND Senate Bill No. 1404 by deleting subparts (1) and (2) from the amendatory language of SECTION 1 and substituting instead the following:

Knows or reasonably should know that he or she has suffered a work-related injury that has resulted in permanent physical impairment; or

Is rendered unable to continue to perform his or her normal work activities as the result of the work-related injury and the employee knows or reasonably should know that the injury was caused by work-related activities.

On motion, Amendment No. 1 was adopted.

Rep. Turner (Shelby) moved that **Senate Bill No. 1404**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....	97
Noes .....	1

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 97.

Representatives voting no were: Clem -- 1.

A motion to reconsider was tabled.

**House Bill No. 832** -- Local Education Agency - Allows school board members, who were not in office or who chose not to participate as of July 1, 1998, to now join local group insurance plans upon payment of all premium costs. Amends TCA Section 8-27-303. by \*Tindell. (\*SB1181 by \*Burchett)

On motion, House Bill No. 832 was made to conform with **Senate Bill No. 1181**; the Senate Bill was substituted for the House Bill.

Rep. Tindell moved that Senate Bill No. 1181 be passed on third and final consideration.

On motion, Rep. Kisber withdrew Council on Pensions and Insurance Committee Amendment No. 1.

Rep. Tindell moved that **Senate Bill No. 1181** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....98  
Noes.....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 98.

A motion to reconsider was tabled.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**House Bill No. 1516** -- Real Estate Agents and Brokers - Allows brokers to devote part time to real estate profession as long as adequate supervision over licensees maintained. Amends TCA Title 62, Chapter 13, Part 3. by \*Pinion. (\*SB1157 by \*Herron)

Rep. Pinion moved that House Bill No. 1516 be reset for the Regular Calendar on May 3, 2001, which motion prevailed.

**\*House Bill No. 252** -- Local Government, General - Applies transfer of development rights to all counties and municipalities by removing provision which applies such authority only to counties having metropolitan form of government. Amends TCA Title 13, Chapter 7, Part 1 and Title 13, Chapter 7, Part 2. by \*Scroggs. (SB250 by \*Norris)

Rep. Scroggs moved that House Bill No. 252 be passed on third and final consideration.

Rep. U. Jones moved adoption of State and Local Government Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 252 by deleting all language following the enacting clause of the printed bill and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 13-7-101(a)(2), is amended by deleting the second sentence of item (A) and by adding the following language as a new paragraph at the end of item (A):

A town, city, county, a county with a metropolitan form of government, the state of Tennessee, or a not-for-profit conservation or preservation organization may be the receiving entity of a development right without allocating or designating the transferred development right to any receiving property under its ownership or control. A town, city, county, a county with a metropolitan form of government, the state of Tennessee, or a not-for-profit conservation or preservation organization shall be allowed to receive all or part of the donating property's development rights notwithstanding any local zoning regulations pertaining to any required ratio or amount of land area a receiving property must contain in relation to the land area of the donating property or of the total amount of density that a receiving property may obtain from the donating property.

SECTION 2. Tennessee Code Annotated, Section 13-7-101(a)(2)(B), is amended by deleting the words and punctuation "agricultural, or" and by substituting instead the following:

agricultural, rural area as designated in the county's growth plan,  
or

SECTION 3. Tennessee Code Annotated, Section 13-7-101(a)(2), is amended by adding the following language as a new sentence at the end of item (B):

A property owner may donate through gift or through testamentary disposition all or part of the development rights of the owner's property to a town, city, county, a county with a metropolitan form of government, the state of Tennessee, or a not-for-profit conservation or preservation organization.

SECTION 4. Tennessee Code Annotated, Section 13-7-101(a)(2), is amended by deleting item (D).

SECTION 5. Tennessee Code Annotated, Section 13-7-201(a)(2), is amended by deleting the second sentence of item (A) and by adding the following language as a new paragraph at the end of item (A):

A town, city, county, a county with a metropolitan form of government, the state of Tennessee, or a not-for-profit conservation or preservation organization may be the receiving entity of a development right without allocating or designating the transferred development right to any receiving property under its ownership or control. A town, city, county, a county with a metropolitan form of government, the state of Tennessee or a not-for-profit conservation or preservation organization shall be allowed to receive all or part of the donating property's development rights notwithstanding any local zoning regulations pertaining to any required ratio or amount of land area a receiving property must contain in relation to the land area of the donating property or of the total amount of density that a receiving property may obtain from the donating property.

SECTION 6. Tennessee Code Annotated, Section 13-7-201(a)(2), is amended by adding the following language as a new sentence at the end of item (B):

A property owner may donate through gift or through testamentary disposition all or part of the development rights of the owner's property to a town, city, county, a county with a metropolitan form of government, the state of Tennessee, or a not-for-profit conservation or preservation organization.

SECTION 7. Tennessee Code Annotated, Section 13-7-201(a)(2), is amended by deleting item (D).

SECTION 8. This act shall take effect upon becoming law, the public welfare requiring it.

On motion, State and Local Government Committee Amendment No. 1 was adopted.

Rep. Scroggs moved that **House Bill No. 252** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....97  
Noes .....1

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 97.

Representatives voting no were: Vincent -- 1.

A motion to reconsider was tabled.

**\*House Bill No. 1396** -- Labor and Workforce Development, Dept. of - Reorganizes premium rate tables used in calculating unemployment insurance premium rates paid by employers. by \*Clem, \*McDaniel. (SB1673 by \*Clabough, \*Atchley, \*Williams)

On motion, House Bill No. 1396 was made to conform with **Senate Bill No. 1673**; the Senate Bill was substituted for the House Bill.

Rep. Ridgeway moved that Senate Bill No. 1673 be reset for the Regular Calendar on May 3, 2001, which motion prevailed.

**\*House Bill No. 355** -- Cooperatives - Increases certain filing fees to secretary of state from telephone cooperatives. Amends TCA Title 65, Chapter 29, Part 1. by \*Buck. (SB1084 by \*Burks)

Rep. Buck moved that House Bill No. 355 be passed on third and final consideration.

Rep. Phelan moved adoption of Commerce Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 355 by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. The Utilities and Banking Subcommittee of the House Commerce Committee is directed to conduct a study relative to the distribution of capital credits by telephone cooperatives and such other related issues that the subcommittee deems appropriate.

SECTION 2. In the course of its deliberations, the Utilities and Banking Subcommittee shall examine the following issues:

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

(1) Procedures for telephone cooperatives to refund capital credits to the estates of deceased members of such cooperatives, as applicable;

(2) Procedures for telephone cooperatives to refund capital credits to divorced persons who share a membership in the cooperative;

(3) The maintenance by individual telephone cooperatives of a central file of the current addresses of members of the cooperative who no longer reside in the cooperative's service area, with accompanying notification to such members of their right to maintain their current address and a secondary address with the cooperative; and

(4) The relationship between the fiduciary responsibilities and financial condition of an individual telephone cooperative and its policies on refunding capital credits to the cooperative's members.

SECTION 3. All appropriate state agencies shall provide assistance to the subcommittee upon request of the chair.

SECTION 4. The Utilities and Banking Subcommittee shall timely report its findings and recommendations, including any proposed legislation, to the House Commerce Committee and to the full One Hundred Second General Assembly no later than February 1, 2002.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

On motion, Commerce Committee Amendment No. 1 was adopted.

Rep. Buck moved that **House Bill No. 355**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....99  
Noes.....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh – 99.

A motion to reconsider was tabled.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

**House Bill No. 344** -- Ethics - Requires persons or entities doing business with state, or subsidiaries or contractors of such persons or entities, who pay consulting fee to legislative or executive branch official or immediate family of such official, to disclose to registry of election finance certain information relative to such fee; requires members of general assembly to make same disclosure relative to consulting fees received. Amends TCA Title 2, Chapter 10; Title 3 and Title 12. by \*Buck, \*Stanley. (\*SB239 by \*Jackson)

Rep. Buck moved that House Bill No. 344 be passed on third and final consideration.

Rep. U. Jones moved adoption of State and Local Government Committee Amendment No. 1 as follows:

**Amendment No. 1**

AMEND House Bill No. 344 by deleting all language after the enacting clause and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Title 2, Chapter 10, Part 1, is amended by adding the following new sections:

Section 2-10-121. As used in §§2-10-122, 2-10-123 and 2-10-124, unless the context otherwise requires:

(1) The term "consulting services" with respect to an official in the legislative branch, an official in the executive branch, or the immediate family of either type of official, includes services for influencing legislative or administrative action as such term is defined in §3-6-102(10) or providing consulting services for any purpose, including services to advise or assist such person or entity in maintaining, applying for, soliciting or entering into a contract with the state.

(2) The term "consulting services" with respect to a municipal or county official, or the immediate family of either type of official, includes services for influencing legislative or administrative action or providing consulting services for any purpose, including services to advise or assist such person or entity in maintaining, applying for, soliciting or entering into a contract with the municipality or county represented by such official. For purposes of this subdivision, the term "influencing legislative or administrative action" includes promoting, supporting, influencing, modifying, opposing or delaying any action of the county or municipality which the official represents by any means, including, but not limited to, the provision or use of information, statistics, studies, or analyses, but not including the furnishing of information, statistics, studies, or analyses requested by a municipal or county official to such official or the giving of testimony by an individual testifying at an official hearing conducted by officials of the county or municipality.

(3) The term "immediate family" has the same meaning as such term is defined in §3-6-102(9).

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

(4) The term "official in the executive branch" means the governor, any member of the governor's staff or any person in the executive service as such term is defined in §8-30-208(b).

(5) The term "official in the legislative branch" has the same meaning as such term is defined in § 3-6-102(16).

Section 2-10-122. (a) (1) If any person or other entity that does business with the state of Tennessee in any capacity, any subsidiary of such person or entity, any entity that contracts with such person or entity or any entity that contracts with an entity that contracts with such person or entity, pays a fee, including a retainer, commission or any other form of compensation to an official in the legislative branch, an official in the executive branch, or the immediate family of either type of official, for consulting services, then such person or entity, or subsidiary or contractor of such person or entity shall disclose the following to the registry of election finance:

- (A) The person to whom the fee was paid;
- (B) The position of the person to whom the fee was paid;
- (C) The amount of the fee;
- (D) The date the services were rendered; and
- (E) A description of the services rendered.

(2) If any person or other entity that does business with a municipality or county within the state of Tennessee in any capacity, any subsidiary of such person or entity, any entity that contracts with such person or entity or any entity that contracts with an entity that contracts with such person or entity, pays a fee, including a retainer, commission or any other form of compensation to a municipal or county official, or the immediate family of either type of official, for consulting services, such person or entity, or subsidiary or contractor of such person or entity shall disclose to the registry of election finance the same information for such officials as required pursuant to subdivision (1) for officials in the legislative or executive branch.

(b) The disclosure shall be on a form designed by the registry of election finance, shall be made under oath, and shall contain a statement that a false statement on the report is subject to the penalties of perjury. A disclosure form shall be filed each time compensation for consulting services is paid to one of the officials named in subsection (a). The person or entity, or subsidiary or contractor of such person or entity, paying the consulting fee shall have thirty (30) days from the date such fee is paid to file a disclosure form as required by this section.

(c) All disclosures made to the registry pursuant to this section are public records and open for inspection during regular business hours.



(d)(1) It is a Class A misdemeanor for any person or entity, or subsidiary or contractor of such person or entity, to knowingly fail to file a disclosure form as required by this section.

(2) It is a Class C misdemeanor for any person or entity, or subsidiary or contractor of such person or entity, to file a disclosure form as required by this section more than thirty (30) days after the date on which a consulting fee for which disclosure is required is paid.

Section 2-10-123. (a)(1) Any member of the general assembly or member elect of the general assembly who receives a fee, commission or any other form of compensation for consulting services from a person or entity doing business with the state, any subsidiary of such person or entity, any entity that contracts with such person or entity or any entity that contracts with an entity that contracts with such person or entity, shall be required to make the same disclosure required by § 2-10-122. The registry of election finance may devise a new form for disclosure of consulting fees by members of the general assembly or members elect of the general assembly or may modify the one required by § 2-10-122 for use by all parties required to disclose.

(2) Any member of a municipal or county legislative body or member elect of a municipal or county legislative body who receives a fee, including a retainer, commission or any other form of compensation for consulting services from a person or entity doing business with the municipality or county represented by such official, any subsidiary of such person or entity, any entity that contracts with such person or entity or any entity that contracts with an entity that contracts with such person or entity, shall be required to make the same disclosure required by § 2-10-122. The registry of election finance may devise a new form for disclosure of consulting fees by members of a municipal or county legislative body or members elect of a municipal or county legislative body or may modify the one required by § 2-10-122 for use by all parties required to disclose.

(b) All disclosures made to the registry pursuant to this section are public records and open for inspection during regular business hours.

(c)(1) It is a Class A misdemeanor for a member of the general assembly or member elect of the general assembly to receive a fee, commission or any other form of compensation for consulting services from a person or entity doing business with the state, a subsidiary of such person or entity, an entity that contracts with such person or entity or an entity that contracts with an entity that contracts with such person or entity, and knowingly fail to disclose such fee as required by this section.

(2) It is a Class A misdemeanor for a member of a municipal or county legislative body or member elect of a municipal or county legislative body to receive a fee, including a retainer, commission or any other form of compensation for consulting services from a person or entity doing business with the municipality or county represented by such official, a subsidiary of such person or entity, an entity that contracts with such person or entity or an entity that contracts with an entity that contracts with such person or entity, and knowingly fail to disclose such fee as required by this section.

Section 2-10-124. (a) The provisions of §§2-10-121, 2-10-122, and 2-10-123 do not apply to the services or actions of a person to whom this act otherwise would apply, if such person, with respect to such service or action, files a disclosure in accordance with the provisions of Tennessee Code Annotated, Title 3, Chapter 6, Part 1;

(b) A copy of the report filed by a member of the general assembly pursuant to Section 2-10-123 may be filed in lieu of a disclosure statement required pursuant to Section 8-50-502 relative to the same income disclosed pursuant to Section 2-10-123.

SECTION 2. This act shall take effect July 1, 2001, the public welfare requiring it.

On motion, State and Local Government Committee Amendment No. 1 was adopted.

Rep. U. Jones moved adoption of State and Local Government Committee Amendment No. 2 as follows:

**Amendment No. 2**

AMEND House Bill No. 344 By adding the following language as a new subsection (c) to Section 2-10-124, as amended:

(c) Nothing in this act shall be construed to require an attorney who is also a member of the general assembly or member elect of the general assembly to file the disclosure otherwise required by this act for receiving compensation or fees for providing services in the performance of such person's duties as an attorney. Further nothing in this act shall be construed to require an attorney to violate in any manner the Code of Professional Responsibility, Rule 8 of the Supreme Court of the State of Tennessee.

On motion, State and Local Government Committee Amendment No. 2 was adopted.

Rep. Buttry moved adoption of Amendment No. 3 as follows:

**Amendment No. 3**

AMEND House Bill No. 344 by deleting from House Amendment No. 2 (HA0276) the language "Nothing in this act shall be construed to require an attorney who is also a member of the general assembly or member -elect of the general assembly to file the disclosure otherwise required by this act for receiving compensation or fees for providing services in the performance of such person's duties as an attorney. Further, nothing" and by substituting instead the language "Nothing".

Rep. Newton moved the previous question on Amendment No. 3, which motion prevailed.

On motion, Amendment No. 3 was adopted.

Rep. Westmoreland moved the previous question, which motion prevailed by the following vote:

Ayes .....	76
Noes .....	15
Present and not voting .....	1

Representatives voting aye were: Arriola, Baird, Beavers, Bittle, Black, Bone, Boyer, Briley, Buck, Buttry, Clem, Cole (Carter), Cole (Dyer), Curtiss, Davidson, Davis (Washington), Davis (Cocke), Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hargett, Head, Hood, Johnson, Jones S, Kent, Kisber, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Turner (Hamilton), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Wood -- 76.

Representatives voting no were: Armstrong, Bowers, Brooks, Brown, Bunch, Chumney, DeBerry J, Dunn, Hagood, Jones U, Langster, Miller, Phelan, Towns, Turner (Shelby) -- 15.

Representatives present and not voting were: Kernell -- 1.

Rep. Buck moved that **House Bill No. 344**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes .....	99
Noes .....	0

## MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 99.

A motion to reconsider was tabled.

**\*House Joint Resolution No. 309** -- General Assembly, Statement of Intent or Position - Expresses support for development of sister-state program between Kaluga Region of Russia and Tennessee. by \*McCord, \*Overbey, \*Montgomery, \*Boyer.

On previous motion, House Joint Resolution No. 309 was adopted by the House.

### MESSAGE CALENDAR

#### HOUSE ACTION ON SENATE AMENDMENTS

**\*House Bill No. 732** -- Highways, Roads and Bridges - Deletes provision authorizing incumbent chief administrative officers on April 5, 1974 to succeed themselves in office without limitation as to number of terms. Amends TCA Section 54-7-104. by \*Buck. (SB1086 by \*Bucks)

Further consideration of House Bill No. 732 previously considered on April 25, 2001, at which time it was reset for today's Message Calendar.

#### Senate Amendment No. 2

AMEND House Bill No. 732 By inserting the following language as new, appropriately designated sections immediately preceding the effective date section:

SECTION \_\_. Tennessee Code Annotated, Section 54-7-104(b)(2), is amended by deleting from the population table the figures "30,400" and "30,500".

SECTION \_\_. Tennessee Code Annotated, Section 54-7-104(b), is amended by adding the following language as a new, appropriately designated subdivision:

(9) In any county having a population of not less than thirty-seven thousand one hundred (37,100) nor more than thirty-seven thousand four hundred (37,400) according to the 2000 federal census or any subsequent federal census, the sole educational and experience qualification for the office of the chief administrative officer of the county department which builds and maintains roads of the county shall be a high school education or general equivalency diploma (GED).

Rep. Buck moved that the House concur in Senate Amendment(s) No(s). 2 to **House Bill No. 732**, which motion prevailed by the following vote:

Ayes .....98  
Noes .....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 98.

A motion to reconsider was tabled.

#### HOUSE ACTION ON SENATE AMENDMENTS

**House Bill No. 553** -- Disabled Persons - Permits physically disabled persons to terminate rental leases without penalty if room in public housing facility becomes available. by \*McDonald. (\*SB729 by \*Graves)

#### Senate Amendment No. 1

AMEND House Bill No. 553 by adding the following language at the end of Section 1:

For the purposes of this section a physically disabled person means that a person meets the standard for being "permanently and totally disabled" under Tennessee Code Annotated, Section 71-4-1102.

#### Senate Amendment No. 2

AMEND House Bill No. 553 by inserting the language "or being obligated to pay rent after ceasing to occupy the property" between the language "incurring penalties" and "if such person".

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

AND FURTHER AMEND by inserting the language "unless the person's current landlord has made significant modifications to the residence to address issues of handicap accessibility" between the language "public housing facility" and the punctuation ".".

Rep. McDonald moved that the House concur in Senate Amendment(s) No(s). 1 and 2 to **House Bill No. 553**, which motion prevailed by the following vote:

Ayes .....98  
Noes .....0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), DeBerry J, DeBerry L, Dunn, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Jones U, Kent, Kernell, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 98.

A motion to reconsider was tabled.

**HOUSE ACTION ON SENATE MESSAGE**

**\*House Bill No. 488** -- Safety - Limits ceiling for liability insurance coverage required for whitewater rafting outfitters/operators who travel 25 miles or less on intrastate roads to \$1 million. Amends TCA Title 65, Chapter 15, Part 1. by \*Davis (Cocke). (SB1393 by \*Haun)

On motion, House Bill No. 488 was reset for the Message Calendar on May 3, 2001, which motion prevailed.

**UNFINISHED BUSINESS**

**RULES SUSPENDED**

Rep. Pruitt moved that the rules be suspended for the purpose of introducing House Resolution No. 68 out of order, which motion prevailed.

**House Resolution No. 68** -- Memorials, Congratulations - Maria Gomez, 3rd place in Humanities Tennessee Letters About Literature Contest. by \*Pruitt.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. Pruitt, with the request that all members voting aye be added as sponsors, the resolution was adopted.

**MONDAY, APRIL 30, 2001 – THIRTY-THIRD LEGISLATIVE DAY**

A motion to reconsider was tabled.

**NOTICE TO ACT ON SENATE MESSAGES**

Pursuant to **Rule No. 59**, notice was given that the following measure(s) from the Senate would be considered on May 3, 2001:

**Senate Bill No. 304:** by Rep. Cooper

**Senate Bill No. 68:** by Rep. Kernell

**MOTION TO RESET BILLS**

Rep. Davidson moved that all bills set to a Calendar on Wednesday, May 2, 2001 be reset to the Calendars on Thursday, May 3, 2001, which motion prevailed.

**RULES SUSPENDED**

Rep. McDonald moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 321 out of order, which motion prevailed.

**House Joint Resolution No. 321** -- Naming and Designating - Designates August as "Lifelong Learning Month" in Tennessee, by \*McDonald, \*Newton.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. McDonald, the resolution was adopted.

A motion to reconsider was tabled.

**SPONSORS ADDED**

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

**House Bill No. 1214:** Rep(s). Curtiss as prime sponsor(s).

**MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to return to the House, House Bill(s) No(s). 1183; substituted for Senate Bill(s) on the same subject(s) and passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk.

**MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to return to the House, House Bill(s) No(s). 1393; substituted for Senate Bill(s) on the same subject(s) and passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk.

**ENGROSSED BILLS**

**April 30, 2001**

The following bill(s) have been examined, engrossed, and are ready for transmission to the Senate: House Joint Resolution(s) No(s). 309, 310 and 311.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

**MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to transmit to the House, Senate Bill(s) No(s). 187, 528 and 1724; all passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk.

**Senate Bill No. 187** -- Liens - Gives marinas same enforcement of lien on vessels or personal watercraft as garagekeepers have on vehicles in their possession. Amends TCA Title 66, Chapter 19, Part 2. by \*Burchett, \*Ramsey, \*Crowe, \*Williams, \*Davis L, \*Person. (\*HB198 by \*Bittle, \*Curtiss)

**\*Senate Bill No. 528** -- Pharmacy, Pharmacists - Removes July 1, 2001, sunset provision relative to pharmacy and pharmacy access in Chapter 1033 of Public Acts of 1998; revises codified pharmacy and pharmacy access section to clarify requirements apply to managed health insurance issuer as well as health insurance issuer. - TCA Section 56-7-2359. by \*McNally, \*Williams, \*Davis L, \*Dixon, \*Carter, \*Haun, \*Jackson, \*Herron, \*Trail, \*Person. (HB838 by \*McDaniel, \*Rhinehart, \*Shepard, \*Davis (Cocke), \*Overbey, \*Rowland, \*Windle, \*Walker )

**Senate Bill No. 1724** -- Contractors - Requires board for licensing contractors to meet at least six times each year instead of meeting in specified months. Amends TCA Title 62, Chapter 6. by \*Haynes. (\*HB851 by \*Cole (Dyer))



**MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to return to the House, Senate Bill(s) No(s). 137.

The Senate refused to recede from its action in nonconcurring in House Amendment(s) No(s). 4.

The Speaker appointed a Conference Committee composed of Senators Elsea, Cooper and Rochelle to confer with a like Committee from the House to resolve the differences of the two bodies on Senate Bill No. 137.

RUSSELL A. HUMPHREY, Chief Clerk.

**MESSAGE FROM THE SENATE**

**April 30, 2001**

MR. SPEAKER: I am directed to return to the House, House Joint Resolution(s) No(s). 181, 265, 266, 267, 268, 270, 271, 272, 273, 274, 275, 276, 277, 278 and 279; all concurred in by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk.

**ENGROSSED BILLS**

**April 30, 2001**

The following bills have been examined, engrossed, and are ready for transmission to the Senate: House Bill(s) No(s). 252, 344, 355, 619, 864, 869, 991, 1089, 1374, 1607, 1685, 1922, 1989, 1995, also, House Joint Resolution(s) No(s). 137 and 321.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

**ENROLLED BILLS**

**April 30, 2001**

MR. SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have carefully compared House Resolution(s) No(s). 68; and find same correctly enrolled and ready for the signature of the Speaker.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

**SIGNED**

**April 30, 2001**

The Speaker signed the following: House Resolution(s) No(s). 68.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

**ROLL CALL**

The roll call was taken with the following results:

Present ..... 95

Representatives present were: Armstrong, Arriola, Baird, Beavers, Bittle, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Clem, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Washington), Davis (Cocke), DeBerry J, DeBerry L, Dunn, Ferguson, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Hagood, Hargett, Hargrove, Harwell, Head, Hood, Johnson, Jones S, Kent, Kernell, Kisber, Langster, Lewis, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Overbey, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Rowland, Sands, Sargent, Scroggs, Sharp, Shaw, Shepard, Stanley, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Turner (Davidson), Vincent, Walker, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 95.

**RECESS MOTION**

On motion of Rep. Davidson, the House stood in recess until 9:00 a.m., Thursday, May 3, 2001.